



# The innovator's guide to **BREAKING DOWN SILOS**

Silos have been sucking life and opportunity out of businesses for years. But in the digital age, they're truly the death stars of your universe and you need to banish them for good.

**#3 IN A SERIES**

## What is it?

**Information silos arise when different parts of a business fail to communicate effectively with one another. This happens when systems are not in place to enable data to be shared openly amongst the people who rely on it.**

The symptoms are closed-mind thinking and territoriality, otherwise known as silo mentality, which prevents alignment with strategic goals.

Information silos endure when staff have an incentive to maintain the status quo, or when the perceived cost of implementing change is greater than the perceived benefits. Some businesses value their centres of excellence, so here the boundary is actively defended.

The simplest form of silo is a spreadsheet sitting on an individual's computer that no-one else ever gets to see. Fixing that silo requires moving the data to a system where it can be shared across the entire team.

Other silos are geographic, where data is siloed in a department, or even at a remote geographical location.

The 1970s solution to silos, which some companies still cling to, involves specialist teams working on multiple projects with multiple different bosses, otherwise known as matrix management. But this is often a recipe for confusion, and the silos remain.

## Why should I care?

**Silos are the first hurdle on the path to digitalisation. Future focused companies seeking to reap the benefits of digital transformation need to break them down efficiently as a first task.**

This is because silos will prevent your objectives being delivered and they'll also stymie your attempts to modernise workflows. They cause duplication of cost and effort and introduce delays because teams are working at cross purposes. This prevents the transfer and sharing of knowledge across the business and impedes the synergy that you need to deliver transformation. Fundamentally, the overall company strategy can not be aligned until you've broken down the silos.

In particular, technological silos caused by out-of-date systems have potentially huge associated costs. Imagine the financial and reputational damage caused by a prolonged breakdown (the maintenance nightmare), or incompatibility with compliance requirements (the legal nightmare), or an inability to update security (the dreaded cybercrime nightmare).

Breaking silos down is an essential part of transforming your business to ensure that it is sufficiently lean and agile to thrive in the digital age. This will reduce risk in the future whilst also giving you a good chance of delivering on your objectives.

## What can I do about it?

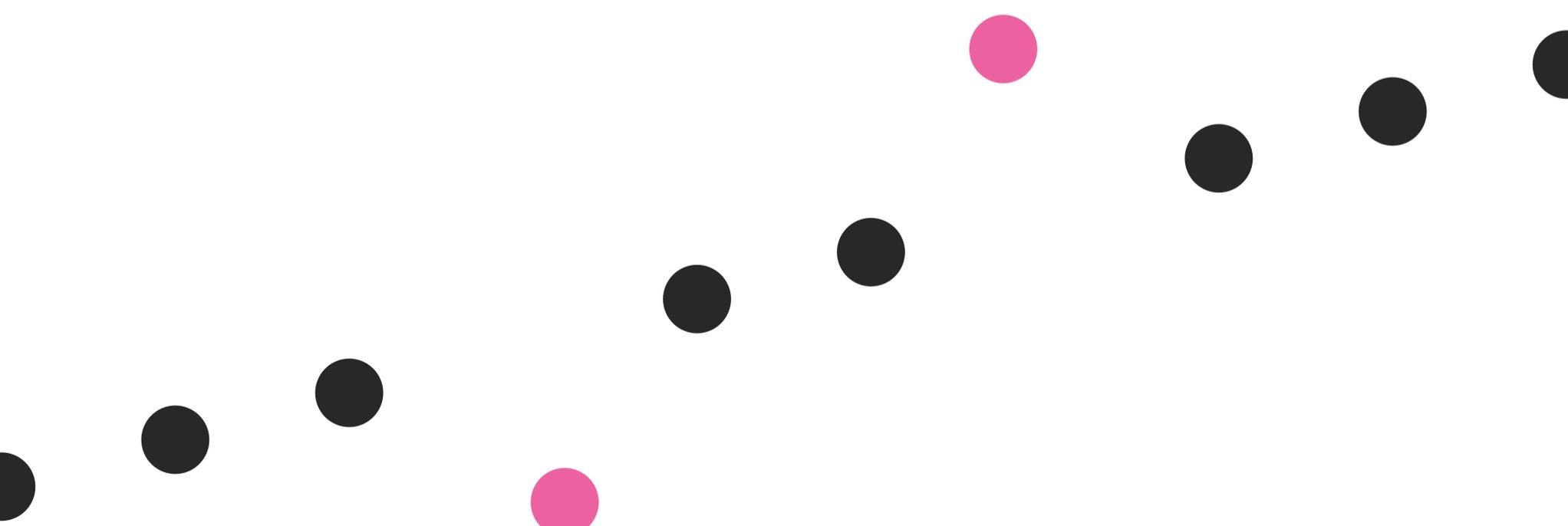
Recent advances in data technology bring huge, silo-busting efficiencies and innovation within reach, so long as you have the right teams to take advantage of them.

# 01

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## DO AN AUDIT

It starts with an audit. The goal is to understand how to align your organisation and processes with a single source of truth, which is going to encourage collaboration and enable better decision making. So, work out where the silos exist first. Establish who's in control of them, and be wary of the politics that might be sustaining them.



# 02

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## INTEGRATE THE TECH AND TEAMS

Integrate technology and teams. Breaking down silos requires making the data available to all in a single source of truth. Collaborative tools enable better decisions, and cross-functional thinking will boost your organisation's collective intelligence. This will encourage the innovative thinking that will deliver your objectives. Mandate that suppliers and service companies also interact with the single source of truth.

# 03

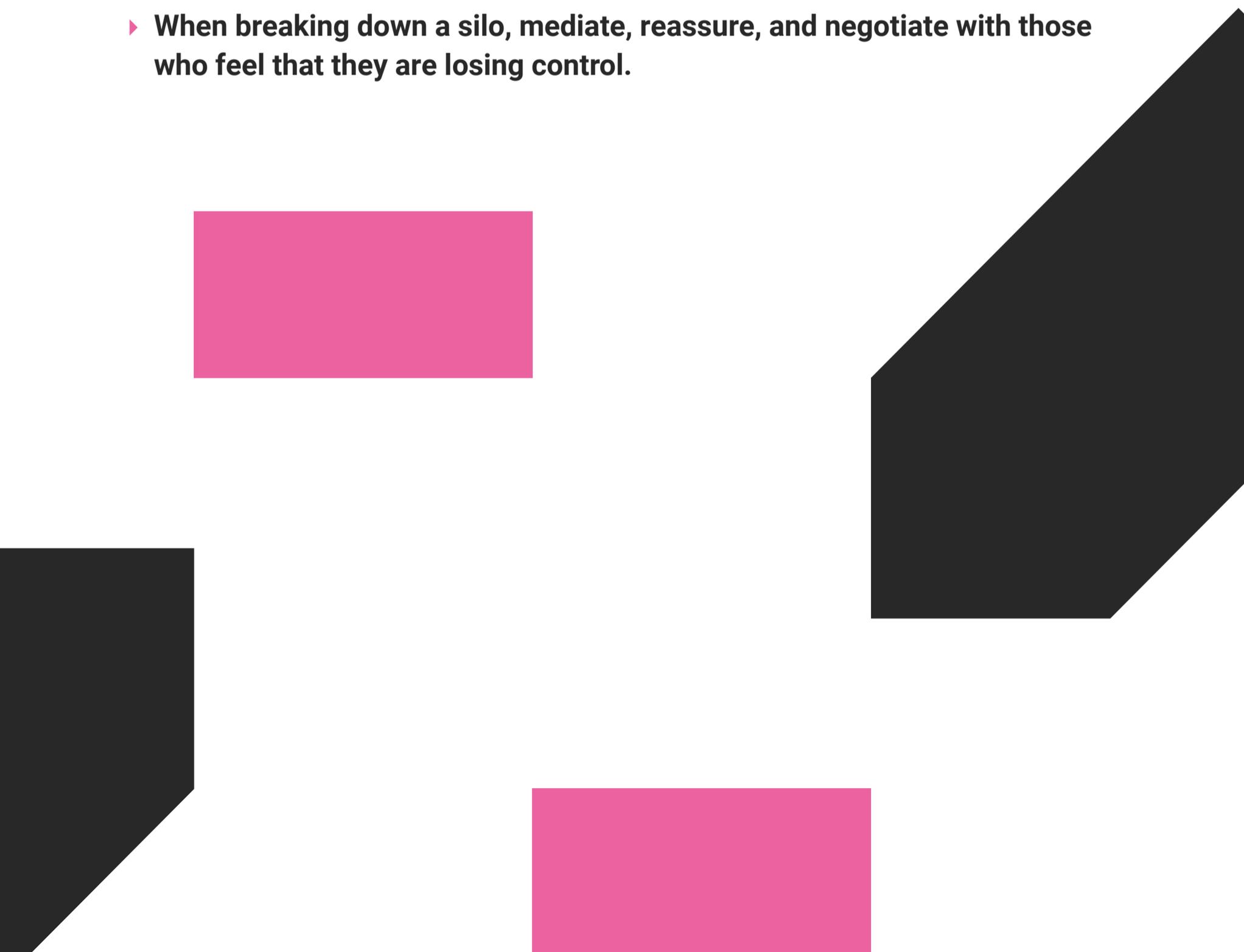
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## ALIGN KPIs

Align KPIs to incentivise a common good. In the world of silos, KPIs will tend to be aligned with the interests of the silo. But with common access to a single source of truth your organisation's overarching goals come back into focus, especially if the data allows success to be benchmarked. Remember, if there are existing rules that conflict with the new approach, change the rules.

## Innovator's checklist

Resistance to change is inevitable, but it can be broken down.

- ▶ **Invest in technology to address the root cause of silos. Its long-term benefits outweigh short-term costs, especially when the risks associated with keeping old technology are taken into account.**
  - ▶ **Have you demonstrated the benefits of openness and sharing, and built new teams whose goals align with the strategic objectives of the business? Train them in innovative thinking if necessary.**
  - ▶ **When breaking down a silo, mediate, reassure, and negotiate with those who feel that they are losing control.**
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**Learn more about Breaking Down Silos at [silverhorsetech.com/breaking-down-silos](https://silverhorsetech.com/breaking-down-silos)**

**Learn more about AssetHive refer to guides 1 and 2 at [silverhorsetech.com/assethive](https://silverhorsetech.com/assethive)**

